

FYI on HUD loans to prevent foreclosure:

Massachusetts was awarded \$61 million from the HUD program to assist homeowners who are 3 or more months behind on mortgage payments due to either unemployment of their income falling by more than 15%. Owners might qualify for an up to 2 year no interest, forgivable loan to prevent foreclosure. The state anticipates assisting 1,260 owners.

The Massachusetts Community Action network is working with Citizens' Housing and Planning Association (CHAPA) on promoting this new program. July 22nd is the deadline for homeowner's to file pre-applications; there will be a lottery of applicants after the July 22 application closing date. Please direct questions to Lewis Finfer, Executive Director, Massachusetts Communities Action Network, at (617) 470-2912 or lewfinfer@gmail.com. For more information, go to www.mcan-oltc.org. Below is a sample bulletin notice followed by a longer fact sheet.

Assistance Available to the Unemployed and to those Facing Foreclosure

If you are 3 months or more behind on your mortgage due to unemployment or cuts in wages and/or hours, you can apply up to July 22 for a special program to save your home from foreclosure. The federal program gives people a no interest, forgivable loan of up to 2 years to save their home from foreclosure. Pre-applications for the Emergency Homeowner Loan Program (EHLPP) are available at www.findehlp.org or call (855) 346-3345 to apply.

Real help for unemployed/underemployed homeowners

It may sound like a classic foreclosure rescue scam: a limited time offer for a free government loan to save your home. But this time the offer is legitimate.

Homeowners who are unemployed or whose wages have gone down by more than 15% and struggling to stay in their homes may be eligible to apply for emergency funding to avoid foreclosure, through the Department of Housing and Urban Development's (HUD) **Emergency Homeowner Loan Program (EHLPP)**. EHLPP will provide a forgivable bridge loan of up to \$50,000 to pay mortgage, tax and insurance bills for up to two years. Pre-applications for the Emergency Homeowner Loan Program (EHLPP) are available at www.findehlp.org or call (855) 346-3345 to apply.

Who is eligible to apply: Unemployed and underemployed homeowners (due to job loss or serious medical condition) who are at risk of losing their home, and are 90 days delinquent on their mortgage payment.

Where to apply: Contact a HUD-approved EHLPP housing counselor at http://www.findaforeclosurecounselor.org/network/nfmc_lookup/ to learn where to submit applications in your area.

When to apply: *Homeowners will only have until July 22, 2011 to submit pre-applications for these limited funds. Homeowners should gather key documents now for the next stage of the application process.*

Checklist of key documents (These documents only have to be submitted with the pre-application form if you are chosen in the lottery of applicants):

- * Most recent mortgage statement
- * Written notice from employer indicating termination, or income reduction
- * Notice from lender/servicer stating homeowner is at risk of foreclosure
- * 2009 and 2010 tax returns for every person listed on the mortgage
- * Documentation of current income (unemployment check stub, pay stub, SSI)
- * Citizenship documents for every person listed on the mortgage (passport, birth certificate)
- * IRS T4506-T form for every person listed on the mortgage

For assistance on how to apply for foreclosure prevention funds in every state homeowners should scroll down and click on their state, at www.findehlp.org. EHLP materials are available in Spanish, English, Chinese, Vietnamese, and Korean.